

**LICENSE FOR USE OF
CAMP ALLEN TREATMENT PLANT**

FILE NO. LIC-O-1078

**CONTRACT NO.
N40085-O6-RP-00005**

License Contents

File No. LIC-O-1078
Contract No. N40085-05-RP-00005

Department of the Navy
And
Commonwealth of Virginia
Department of Transportation

License form NAVFAC11011/29 (6/75)

Addendum #1 - Basic clauses that pertain to the License in general

Addendum #2 -Environment controls and conditions

Addendum #3 - Cost Recovery

Exhibit A - Reserved

Exhibit B - Reserved

Exhibit C-1 - Final Decision Document - Camp Allen Landfill, Naval Base, Norfolk, Virginia July 17, 1995

Exhibit C-2 - Record of Decision - Site 22: Camp Allen Salvage Yard, Naval Station Norfolk, Norfolk Virginia, September 2004.

Exhibit D - Technical Memorandum Construction Restrictions for Navy Property, Naval Station, Norfolk Virginia, February 2002, as amended

Exhibit E - Technical Memorandum Dewatering Requirements for the I-564 Intermodal Connector Project in The Camp Allen Area, Naval station, Norfolk Virginia, June 2005

Exhibit F - Hazardous Waste Management Procedures for Contract Operations

Exhibit G - Final Report for Soil and Debris Removal Action, Camp Allen Landfill Area B, March 10, 1995

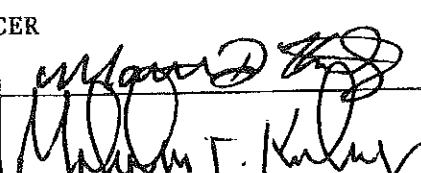
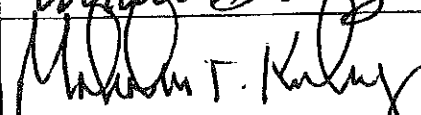
Exhibit H - Final Completion Report, Remedial/Removal Actions, Camp Allen Salvage Yard - Site 22, July 2003

Exhibit I - Final Contractor Closeout Report, Placement of Soil Cover Material, Camp Allen Salvage Yard Site 22, June 2004

Exhibit J - Final Contractor Closeout Report Storm Water Pond Modifications, Camp Allen Salvage yard Site 22, Sept 2004

Note: Exhibits C thru J are the same as FRP Construction. Exhibits available on Disks

*As-built
is within*

LICENSE FOR NONFEDERAL USE OF REAL PROPERTY NAVAC 11011/29 (6-75) THIS LICENSE TO USE THE U.S. GOVERNMENT PROPERTY HEREIN DESCRIBED IS ISSUED BY THE DEPARTMENT OF THE NAVY TO THE LICENSEE NAMED BELOW FOR THE PURPOSES SPECIFIED UPON THE TERMS AND CONDITIONS SET FORTH BELOW AND THE GENERAL PROVISIONS SET FORTH IN UPON THE TERMS AND CONDITIONS SET FORTH BELOW AND THE GENERAL PROVISIONS SET FORTH IN CONDITIONS, AND GENERAL PROVISIONS.			LICENSE FILE NUMBER LIC-O-1078 All correspondence pertaining to this document should include a reference to: CONTRACT NUMBER N40085-06-RP-00005		
1. NAVAL ACTIVITY (Property location) Naval Support Activity, Norfolk Norfolk Virginia UIC: N57095			2. DATES COVERED (Inclusive) FROM 1 NOVEMBER 2006 TO 31 OCTOBER 2008		
3. DESCRIPTION OF PROPERTY (Include room and building numbers where appropriate) Use of the Camp Allen Treatment Plant (CATP) and area for Proposed Water Pretreatment Facility as associated with VDOT Project 0337-122-F14 and relocation of Navy's Fleet Recreational Park in areas where groundwater is impacted by contamination from IRP Sites 1 and 22.					
4. PURPOSE OF LICENSE Use of CATP and installation of Water Pretreatment Facility in association with Construction and/or Relocation of Facilities associated with VDOT Project 0337-122-F14, RW-201. Groundwater dewatering of the sites are specifically limited to areas where groundwater is impacted by contamination from the Camp Allen Landfill (CAL) and Camp Allen Salvage Yard (CASY) area as further designated as Sites 1 and 22 in the Exhibits attached hereto.					
5. LICENSOR UNITED STATES OF AMERICA DEPARTMENT OF THE NAVY		5a. LOCAL REPRESENTATIVE, DEPT. OF NAVY OFFICIAL (Title and Address) Commander Navy Region Mid-Atlantic (Assistant Regional Engineer) 9742 Maryland Avenue Norfolk, VA 23511-3095			
6. LICENSEE (Name and address) Commonwealth of Virginia Department of Transportation 1401 East Broad Street Richmond, Virginia 23219-1939			6a. LOCAL REPRESENTATIVE (Name and address) Robert "Bud" Morgan, P.E. Commonwealth of Virginia Department of Transportation 1992 South Military Highway Norfolk, Virginia 23320		
CASH PAYMENT BY LICENSEE (PAYABLE IN ADVANCE) (If no cash payment is required, enter "None" under item 7a "Amount")					
a. AMOUNT (Each payment) None	b. FREQUENCY PAYMENTS DUE	c. FIRST DUE DATE	5. TO (Title and address of local representative of the Government)		
8. DEPOSIT FOR UTILITIES AND SERVICES (Payable in advance) (If no cash payment is required, enter "None" under item 8a "Amount")					
a. AMOUNT (Each Payment)	b. FREQUENCY PAYMENTS DUE	c. FIRST DUE DATE	5. TO (Title and address of local representative of The Government)		
\$63,317 deposit to escrow	Monthly upon receipt of invoices per Addendum #3	Deposit due first day of License term	Commander, Naval Facilities Engineering Command Code FM O, Attn: Keith Gudgel 1322 Patterson Ave, SE Suite 1000 Washington, DC 20374-5065 See Addendum #3 for details.		
9. Insurance Required at Expense of Licensee (If any or all insurance requirements have been waived, enter "None" in a, b, c, and d as appropriate)					
Type	Minimum Amount	Type	Minimum Amount		
a. Fire and Extended Coverage	\$ None	c. Third Party Personal Injury per Person	None-Self Insured		
b. Third Party Property Damage	None - Self Insured	d. Third Party Personal Injury per Accident	None - Self Insured		
10. GENERAL PROVISIONS (See Following Page) General Provisions 10.g., 10.h., 10.i., and 10.j. have been deleted prior to execution of this license. Addendum Numbers 1, 2 and 3 and Exhibits C thru J were added prior to execution of this license. (Exhibits A and B were reserved.) This License has been prepared as a supplement to actions associated with LIC-O-1077 covering the construction of Fleet Recreational Park. This License may be modified or extended to include I-564 Intermodal Connector, State Project 0564-122-108, PE-101, C-501 as it pertains to IRP Sites 1 and 22.					
11. EXECUTION OF LICENSE					
FOR	BY NAME AND TITLE (Typed)		SIGNATURE		DATE
DEPARTMENT OF NAVY	MATTHEW D. KURTZ REAL ESTATE CONTRACTING OFFICER NAVAC MID-ATLANTIC				11/3/07
LICENSEE	Malcolm T. Kerley, P.E. Chief Engineer				12/21/06

If Licensee is a Corporation, Certification of signature is attached ☐

10. GENERAL PROVISIONS

a. The Licensor hereby grants to the Licensee the right to use the premises or facilities described in Item 3, together with the necessary rights of ingress and egress.

b. This License shall be effective for the period stated in Item 2 and is revocable at any time without notice at the option and discretion of the Licensor or its duly authorized representative.

c. The use shall be limited to the purposes specified herein.

d. This License shall be neither assignable nor transferable by the Licensee.

e. If utilities and services are furnished the Licensee for its use of the premises, the Licensee shall reimburse the Licensor for the cost thereof as determined by the Licensor in accordance with applicable statutes and regulations.

f. The Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the premises or facilities licensed hereby. At the discretion of the Licensor this obligation shall include, but not be limited to, contribution toward the expense of long-term maintenance of the premises or facilities, the necessity for which accrued during the period of Licensee's use. The amount of expense to be borne by the Licensee shall be determined by prorating the total expense of the item of long-term maintenance on the basis of fractional use by the Licensee. This fractional part of the total expense shall be prorated further if the item of long-term maintenance did not accrue in its entirety during the Licensee's use. Upon a determination by the Licensor that the necessity exists for an expenditure of funds for maintenance, protection, preservation or repair, the Licensee shall pay to the Licensor its proportionate share, on demand.

g. No additions to, or alterations of, the premises or facilities shall be made without the prior consent of the Licensor. Upon revocation or surrender of this License, to the extent directed by the Licensor, the Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the premises or facilities to the same, or as good condition as existed on the date of entry under this license, reasonable wear and tear excepted.

h. The Licensee shall be liable for any loss of, or damage to, the premises or facilities incurred as a result of its use and shall make such restoration or repair, or monetary compensation as may be directed by the Licensor. The Licensee's liability for loss or damage to the premises resulting from risks expressly required to be insured hereunder shall not exceed the amount of insurance so required. The Licensee shall not be liable for loss of, or damage to, the premises arising from causes beyond the control of the Licensee and occasioned by a risk not in fact covered by insurance and not customarily covered by insurance in the locality in which the premises are situated. Nothing contained herein, however, shall relieve the Licensee of liability with respect to any loss or damage to the premises, not fully compensated for by insurance, which results from willful misconduct, lack of good faith, or failure to exercise due diligence, on the part of the Licensee. All insurance required of the Licensee on the premises shall be for the protection of the Licensor and the Licensee against their respective risks and liabilities in connection with the premises. Each policy of insurance against loss or damage to Government property shall name the Licensee and the United States of America, Department of the Navy, as the insured and shall contain a loss payable clause reading substantially as follows:

"Loss, if any, under this policy shall be adjusted with (Name of Licensee) and the proceeds, at the direction of the Government, shall be payable to (Name of Licensee), and proceeds not paid to (Name of Licensee) shall be payable to the Treasurer of the United States of America."

In the event that any item or part of the premises or facilities shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this paragraph h, the Licensee shall promptly give notice thereof to the Licensor and, to the extent of its liability as provided in this paragraph, shall, upon demand, either compensate the Government for such loss or damage, or rebuild, replace or repair the item or items of the premises or facilities so lost or damaged, as the Licensor may elect. If the cost of

such repair, rebuilding, or replacement exceeds the liability of the Licensee for such loss or damage, the Licensee shall effect such repair, rebuilding or replacement if required so to do by the Licensor, and such excess of cost shall be reimbursed to the Licensee by the Licensor. In the event the Licensee shall have effected any repair, rebuilding or replacement which the Licensee is required to effect pursuant to this paragraph, the Licensor shall direct payment to the Licensee of so much of the proceeds of any insurance carried by the Licensee and made available to the Government on account of loss of or damage to any item or part of the premises or facilities as may be necessary to enable the Licensee to effect such repair, rebuilding or replacement. In the event the Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage which has created the need for such repair, rebuilding or replacement have been paid to the Licensee, the Licensee shall promptly refund to the Licensor the amount of such proceeds.

i. The Licensee shall indemnify and save harmless the Government, its officers, agents, servants and employees from all liability under the Federal Tort Claims Act (62 Stat. 869, 982; 28 U.S.C. Sec 2671, 2680) or otherwise, for death or injury to all persons, or loss or damage to the property of all persons resulting from the use of the premises by the Licensee, and shall furnish the insurance specified in Item 9. Each policy of insurance required in Item 9 covering bodily injuries and third party property damage shall contain an endorsement reading substantially as follows:

"The insurer waives any right to subrogation against the United States of America which might arise by reason of any payment made under this policy."

j. All insurance required by this License shall be in such form, for such periods of time, and with such insurers as the Licensor may require or approve. A certificate of insurance or a certified copy of each policy of insurance taken out hereunder shall be deposited with the Licensor's local representative prior to use of the premises and facilities. The Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to the Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks.

k. The Licensee warrants that it has not employed any person to solicit or secure this License upon any agreement of a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to annul this License or in its discretion to recover from the Licensee the amount of such commission, percentage, brokerage or contingent fee in addition to the consideration herein set forth. This warranty shall not apply to commissions payable by the Licensee upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Licensee for the purpose of securing business.

l. In connection with the performance of work under this License, the Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by the Licensor setting forth the provisions of the nondiscrimination clause. The Licensee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

m. All activities authorized hereunder shall be subject to such rules and regulations as regards supervision or otherwise, as may, from time to time, be prescribed by the local representative of the Licensor as designed in Item 5a.

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General Provisions Continued:

10.o. Definitions:

The terms "Licensee" and "VDOT" refer to the Virginia Department of Transportation, its officers, employees, and agents and persons and entities acting on its behalf.

The term "Licensor" and "Navy" refer to Commanding Officer, Naval Facilities Engineering Command, Mid-Atlantic and duly authorized representatives acting under authority delegated to them or pursuant to a Navy real estate contracting warrant.

The term "Premises" means real property subject to this License, i.e., the Camp Allen Treatment Plant (CATP) and area for proposed Water Pretreatment Facility as shown in Exhibits attached hereto as well as necessary routes of ingress to and egress from these facilities, as specified in paragraph 10.q below. It is understood that use of the CATP and Proposed Water Pretreatment Facility may require access to the Premises described in LIC-O-1077. Access to this area will be for transporting purposes only. The Premises does not include construction lay-down areas or holding areas.

10.p. All work performed by the Licensee in connection with its occupancy or use of the Premises shall be done without cost or expense to the Licensor.

10.q. For purposes of entering, occupying, and using the Premises, the Licensee may enter and exit over land of the Licensor adjacent to the Premises, as specified in plans and specifications approved by the Licensor under License File Number LIC-O-1077. The Licensee will exercise its permission to enter, exit, occupy, and use the Premises in a manner that will cause the least practicable wear and tear or damage to Navy property and the least inconvenience to the Licensor. To this end, the Licensee shall comply with the Licensor's requirements for physical and operational security, to include obtaining personal identification badges and vehicle passes. Badges and passes will be surrendered to the Naval Station, Norfolk Pass and ID Office, as directed.

10.r. The Licensor may without notice and for indeterminable lengths of time suspend or modify ingress to and egress from, occupancy, and use of the Premises for safety, security, operational, and other compelling reasons determined by the Licensor to be necessary for national defense or otherwise in the Navy's best interests. The Licensee will comply with suspensions or modifications immediately, for the time required, and without compensation by the Navy. The Licensor will make reasonable efforts to minimize such impacts on the Licensee. At the request

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of the Licensee, the License may be extended by modification for a period of time equal to any suspension applied by the Licensor.

10.s. The Licensee's ingress to and egress from, occupancy, and use of the Premises is subject to reasonable rules and regulations prescribed by the Licensor to minimize interference with Navy operations.

10.t. The Licensee's hours of work will be coordinated with the Licensor.

10.u. Except as provided in Addendum 2 with regard to environmental liability, the Licensee, in the manner and to the extent provided by Virginia law, shall be liable for personal injury and property damage, including damage to the Premises or other Navy property (real or personal), proximately caused by its occupancy or use of the Premises. The Licensor shall not be responsible or liable for injury or damage to the Licensee or third parties except in the manner and to the extent allowed by the Federal Tort Claims Act, 28 U.S.C. § 2671 et seq, and the Anti-Deficiency Act, 31 U.S.C. § 1341.

10.v. The Licensee, in the manner and to the extent provided by Virginia law, will indemnify and hold the Licensor harmless from liability in damages or otherwise, arising out of or resulting from acts or omissions for which the Licensee is liable as per paragraph 10.u. above.

10.w. (1) The Licensor may terminate this License, on written notice to the Licensee, if it is found, after notice and hearing by or by direction of the Secretary of the Navy, that gratuities in the form of entertainment, gifts, or otherwise were offered or given by the Licensee to the Licensor, with a view toward procuring the License or obtaining favorable treatment in amending the License or regarding a determination pertaining to the Licensee's performance of the License; provided, however, that facts found by the Secretary may be reviewed by a court of competent jurisdiction. If the License is so terminated, the Licensor shall be entitled to:

a. Pursue remedies against the Licensee available for breach of the contract by the Licensee; and

b. A penalty, in addition to damages, in an amount determined by the Secretary to be not less than three nor more than ten times the cost of the gratuity to the Licensee.

(2) The foregoing does not limit the Licensor from pursuing other remedies provided by law and this License.

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10.x. The Licensors may use the Premises for any purpose that does not unreasonably interfere with the Licensee's occupancy and use.

10.y. The Licensee, in the manner and to the extent provided by Virginia law, will reimburse the Licensors for expenditures incurred by the Licensors if the Licensors voluntarily takes action to fulfill an obligation of the License the Licensee unreasonably failed to fulfill; is required by law or order of a regulatory agency of competent jurisdiction to correct an act or omission of the Licensee; or provides goods or services to the Licensee. The Licensee agrees to seek appropriations sufficient to meet its obligations under this paragraph and paragraphs 10.w, 10.x., and 10.y. The obligations of this paragraph and paragraphs 10.w, 10.x., and 10.y will survive the expiration or termination of this License, meaning that the Licensee will compensate or reimburse the Licensors for costs and liabilities resulting from the Licensee's acts or omissions, at such time as the Licensors incurs such costs or liabilities.

10.z. In the event of discrepancies between the License, Addenda to the License, or the attached Exhibits, Addendum No. 2 will prevail on matters associated with environmental conditions; the Exhibits will prevail on all matters associated with site restoration, construction restrictions, and operations of the CATP.

10.aa. VDOT shall incorporate requirements and specifications contained in Addendum 2 into its construction-related contracts, or show proof satisfactory to the Licensors that all such requirements and specifications were substantially incorporated into its construction-related contracts.

10.ab. During the term of this license, if the Licensee becomes aware that a Release of Toxic or Hazardous Materials has occurred that has resulted in Contamination of the premises, the Licensee will comply with provisions identified in Addendum No. 2.

10.ac. During the term of this license, the Licensee will ensure that all activities conducted by the Licensee or its contractors on the premises are carried out in compliance with Applicable Environmental Laws. The Licensee will provide oral notice to the Licensors within 24 hours of receiving any complaint, order, directive, claim, citation, or notice by any Governmental authority or any other person or entity with respect to a violation of Applicable Environmental Laws resulting from the activities of the Licensee or its contractors on the premises. The Licensee will promptly take all actions, at its sole expense, as are necessary to comply with all Applicable Environmental Laws as directed by any Federal, State, or local regulatory authority. The Licensors may request a more detailed written description of the events or circumstances leading to this event within a time

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specified by the Licensor. Without limitation of the foregoing, the Licensor may, but will not be obligated to, enter onto the premises and take any Remedial Action as it deems necessary or advisable to address any Contamination of the premises by Toxic or Hazardous Materials or to ensure compliance with Applicable Environmental Laws. Nothing in this paragraph expands or limits terms and conditions set forth in Addendum 2. As between this paragraph and Addendum 2, the terms and conditions of Addendum 2 specifically apply to the places and activities covered thereby, in preference to the general provisions of this paragraph.

10.ad. At any time, the Licensor or its representatives may conduct inspections on the licensed premises to assess whether the operations of the Licensee or its contractors are in compliance with Applicable Environmental Laws. To assist in this evaluation, the Licensee will provide to the Licensor or the Licensor's representative, any and all books, records, or documents in their possession, or in the possession of their agents or contractors, related to the activities or operations on the licensed premises, which the Licensor or its representatives may examine, copy, or make extracts from.

10.ae.

For the purposes of this provision, the terms used above are defined as follows:

"Toxic or Hazardous Materials" means any hazardous, harmful, odorous, radioactive, toxic or dangerous waste, substance or material, including, without limitation, asbestos, polychlorinated biphenyls ("PCBs") and petroleum products, and any hazardous or toxic substance, material or waste, or any pollutant or contaminant defined as such in, or for the purposes of, any environmental laws as are now or in the future may be in effect. The Licensee's obligation under this provision shall extend to any and all such Toxic or Hazardous Materials whether or not such substance was defined, recognized, known, or suspected of being hazardous, toxic, dangerous, or wasteful at the time of any act or omission giving rise to the Licensee's obligation.

"Contamination" means a level of Toxic or Hazardous Materials in the air, in or on soil, in the surface water, or in the groundwater that exceeds levels allowed by Applicable Environmental Laws.

"Applicable Environmental Laws" means any Federal, State, or local statute, law, ordinance, rule, regulation, or order (whether voluntary or not) that govern the activities or operations of the premises, or the persons

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carrying out those activities or operations, relating to the environment, natural resources, or human health and safety, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. § 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), as such laws have been amended or supplemented now or in the future.

"Remedial Action" means any investigation or monitoring of the condition of the premises or any cleanup, remedial, removal, or restoration work required or performed on the premises because of the presence, suspected presence, release, or suspected release of Toxic or Hazardous Materials.

10.af. The Licensee shall comply with the following restrictions on the use of the licensed premises:

(1) No substance shall be released into the air from the licensed premises, which could impair visibility including, without limitation, emissions such as steam, dust, and smoke.

(2) No lights shall be constructed, maintained, directed or allowed to shine from the licensed premises, which could interfere with or impair pilot vision. All light emissions must be shielded to prevent them from being used as geographic reference points by aircraft personnel.

(3) No electrical emissions shall be emitted from sources situate on the licensed premises which could interfere in any way with aircraft communications systems, ordnance or navigational equipment now in existence or hereinafter invented.

(4) No garbage shall be dumped or placed and no feeding stations or other facilities attractive to birds shall be constructed or maintained on the licensed premises.

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ENVIRONMENTAL CONTROLS

1. **Environmental Protection Requirements.** The Licensee,¹ at its expense (except as set forth below), shall conduct construction, pre-treatment plant operations and related activities on the Premises² in compliance with applicable environmental statutes, regulations, existing Navy and Department of Defense (DoD) directives and future Navy and DoD directives that are promulgated at a headquarters level (hereafter "environmental law"). VDOT shall provide protective measures and procedures to control pollution and other impacts to the environment that are reasonably likely to occur during construction activities and groundwater treatment. Except as limited below, VDOT shall promptly take corrective action(s) to remedy any condition it creates that violates environmental law, or poses a foreseeable risk or harm to human health, the environment, or the treatment plant.

2. **Construction Groundwater Character.** For purposes of this license, groundwater includes natural groundwater, which is likely contaminated, as described in the reports referenced in this section, along with incidental rainwater that mixes with groundwater, that is encountered during construction activity in areas where groundwater is impacted by contamination from Installation Restoration Sites 1 and 22. Only such groundwater may be introduced to the Camp Allen Treatment Plant (CATP). Sites 1 and 22 (involving soil and ground water contamination) are managed under the Navy Installation Restoration Program (hereafter "IRP"). Intrusive activity (i.e., soil disturbing and dewatering activity) on Sites 1 and 22 is therefore subject to the Decision Document for IRP Site 1, Camp Allen Landfill (hereafter "Site 1 DD") (Exhibit C-1) and the Record of Decision for IRP Site 22, Camp Allen Salvage Yard (hereafter "Site 22 ROD") (Exhibit C-2). The Site 1 DD and Site 22 ROD prescribe the approved clean-up remedy and land use controls imposed on the sites to protect the remedy, human health, and the environment. Further information on these two sites is contained in *Technical Memorandum Construction Restrictions For Naval Property, Naval Station, Norfolk Virginia, February 2002*, as amended (Exhibit D) and the following final closeout reports for the site:

¹ The terms "Licensee" and "VDOT" have the same meaning as in Addendum 1. Except as provided in paragraphs 5, 7, 8, 12, and 21, notices and other communications from VDOT to the Licensor shall be to the Licensor's Construction Manager.

² "Premises" has the same meaning as in Addendum 1.

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Final Report for Soil and Debris Removal Action, Camp Allen Landfill Area B, March 10, 1995 (Exhibit G)

Final Completion Report, Remedial/Removal Actions, Camp Allen Salvage Yard - Site 22, July 2003 (Exhibit H)

Final Contractor Closeout Report, Placement of Soil Cover Material, Camp Allen Salvage Yard Site 22, June 2004 (Exhibit I)

Final Contractor Closeout Report Storm Water Pond Modifications, Camp Allen Salvage Yard Site 22, September 2004 (Exhibit J)

3. Compliance Oversight. The Licensor may inspect work being performed on the Premises and require VDOT to promptly conduct tests and assessments to determine whether construction and groundwater treatment activities are in compliance with environmental law if due cause is presented that the work being performed is not in compliance with environmental law. VDOT will not be required to test or characterize undisturbed parts of IRP Sites 1 or 22 or areas where groundwater will not be with drawn. VDOT shall use experienced contractors qualified to conduct compliance test and assessments in accordance with EPA SW-846 methods and 40 CFR pt 136 methods. VDOT shall provide access to books, records, and other documents required by environmental law, unless such documents are protected under Attorney-Client Privilege.

4. Notifications. VDOT shall notify the Licensor within 24 hours of receiving a complaint, order, directive, claim, citation, inspection report (preliminary or final), notice of noncompliance, or notice of violation from an environmental regulatory agency of competent jurisdiction. VDOT shall also promptly provide the Licensor copies of documents pertaining to any such complaint, order, directive, claim, citation, inspection report, notice of noncompliance, or notice of violation, unless such documents are protected under Attorney-Client Privilege.

5. Site Visits. The Premises are subject to inspection and site visits by environmental regulatory agencies of competent jurisdiction. VDOT shall cooperate with authorized inspectors in the same manner and to the same extent as the Licensor and as Virginia law may otherwise require. Further, VDOT shall immediately notify the Licensor's Site Manager of any such inspection or site visit, scheduled or unscheduled. VDOT shall provide access to books, records, and other documents required by environmental law, unless such documents are protected under Attorney-Client Privilege.

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6. Health and Safety Plan. VDOT shall require of its contractors to prepare and provide to the Licensor a Health and Safety Plan for activity on the Premises. The plan may be integrated with work that is to occur under LIC-O-1077. The Licensor will review plan(s) in 14 calendar days and notify VDOT of any significant deficiencies; neither construction activity nor collection of ground waters may begin until any significant Navy concerns have been reasonably addressed. VDOT and its contractors shall comply with the plan, to include monitoring construction activity for health and safety.

7. Environmental Site Manager. VDOT shall provide at the Premises one or more persons competent in environmental compliance and pollution prevention, who will oversee compliance with environmental law. This person (or these persons), whose designation and authority must be set forth in writing, must be knowledgeable in hazardous waste handling, to ensure that waste segregation and compatibility requirements are met; hazardous waste management, including transportation and storage; and dewatering operations, including pretreatment. This person (or these persons) must also ensure that contractor personnel have been trained for the work they will perform, oversee compliance, coordinate hazardous waste removal, keep necessary records, report spills and releases, and coordinate first responses to spills and releases. Additionally, this person (or these persons) must oversee waste management activities, de-watering operations, and commissioning and decommissioning of groundwater pre-treatment equipment. This person(s) may be shared to meet the requirements of LIC-O-1077. Furthermore, this person and at least one other person as an alternate shall serve as VDOT's emergency point of contact.

8. Environmental Management Plan. VDOT shall prepare an Environmental Management Plan for the Premises and provide to the Licensor's Site Manager, at least 14 days prior to the scheduled pre-construction meeting. The plan may be integrated with work that is to occur under LIC-O-1077. At a minimum, the plan shall include a description of the duties assigned to the Environmental Site Manager; written documentation of the Site Manager's authority over contractor's on the site; a copy of any specific operating procedures that will be used for the site manager to effectively manage the site, and communicate with the Navy and VDOT's contractors; and contact information (office phone number, cell phone number, and email address) for VDOT's Environmental Site Manager(s); and any other emergency contact information.

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9. Environmental Meetings. Prior to initiating work on the Premises, VDOT's Environmental Site Manager will meet with the Licensor's Site Manager, to present, review, and discuss the implementation of VDOT's Navy-approved Environmental Management Plan. Additional meetings will be conducted as necessary.

10. Groundwater Pretreatment Plant Only groundwater or incidental collection of rainwater in excavations that potentially mixes with groundwater impacted by contaminants originating from Installation Restoration Site 1 and 22, as defined above, may be introduced into the CATP. Rainwater, not mixed with contaminated groundwater, that collects in excavation outside IRP Sites 1 and 22 cannot be introduced into CATP. All water so introduced shall be pretreated in accordance with the requirements set forth in Exhibit E, the *Technical Memorandum Dewatering Requirements for the I-564 Intermodal Connector Project in the Camp Allen Area, Naval Station, Norfolk Virginia, June 2005 (revised final)*, as amended. VDOT shall not discharge groundwater or groundwater mixed with rainwater into sanitary sewers, storm drains, or to surface waters. All groundwater and residuals shall be managed in accordance with applicable waste management requirements in this Addendum and the *Technical Memorandum Construction Restrictions For Naval Property, Naval Station, Norfolk Virginia, February 2002*, as amended. See Exhibit D. If a conflict arises in interpretation or if conditions differ between Exhibit D and Exhibit E, then Exhibit E prevails.

11. Preventing and Responding to Spills and Releases. VDOT shall exercise due diligence to prevent, contain, and respond to spills or releases of hazardous material, hazardous substances, hazardous waste, sewage, regulated gas, petroleum, and other substances regulated by environmental law. A spill is an unauthorized release, in any amount, by spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of any of the foregoing substances into the environment (i.e., air, water, or land surface, including paved surface). Authorized releases are those allowed by environmental permit. In the event of a spill or release, VDOT must take prompt, effective action to stop, contain, curtail, or otherwise limit the amount, duration, and severity of the spill/release. If VDOT's response is inadequate, the Licensor may respond. The Navy Region, Mid-Atlantic Fire Department may, and likely will, respond to all spills/releases and will assume response control upon arrival. Alternatively, a Navy Incident Commander may assume response control. VDOT shall follow the Fire Department's or Incident Commander's directions.

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12. Reporting Spills and Releases. VDOT shall immediately report all spills and releases to the Navy Command Emergency Dispatcher ((757) 444-3333) and the Licensors' Site Manager. If a spill/release has or is reasonably likely to carry off base, or occurs off base when the waste generated from soil or groundwater that is impacted from contamination originating from Site 1 or Site 22 is involved, VDOT shall also notify the Navy Regional Operations Center ((757) 322-2607). Within 24 hours of a release, VDOT shall provide to the Licensors an initial written report of relevant facts including, but not limited to: local time and date the release was discovered, origin of the release, spill location, estimated volume spilled in gallons or cubic feet, material that was spilled, operation that was under way when spill discovered, cause of the spill, slick description and movement (if oil), weather (prevailing winds, air temperature, precipitation), size and description of the areas damaged or threatened, and the response action that was taken, and status of clean up. The Licensors may require daily written progress reports until the spill/release is stabilized and clean up is complete. The Licensors may also require a formal cause investigation.

13. Dirt And Dust. VDOT shall at all times, including nonworking periods, control fugitive dirt and dust at the premises, on routes or ingress and egress, and other areas disturbed by construction activity in accordance with the Virginia Erosion and Sediment Control Regulations, 4VAC50-30, and with the Standard for Fugitive Dust/Emissions, 9VAC5-40-90.

14. Hazardous Material. VDOT shall not bring hazardous or toxic material onto government property that is not directly required for the performance of work documented in Navy-approved plans and specifications. Hazardous materials used in construction and construction-related activity shall be classified and stored in accordance with National Fire Protection Association Fire Codes and Standards (current edition). A "hazardous or toxic material" means any hazardous, harmful, odorous, radioactive, toxic or dangerous substance including, without limitation, asbestos, polychlorinated biphenyls ("PCBs") and petroleum products, and any hazardous or toxic substance, defined as such in, or for the purposes of, any environmental laws as are now or in the future may be in effect. The Licensee's obligation under this provision shall extend to any and all such materials currently listed or known to be Hazardous or Toxic Materials and those that become listed by the USEPA or the Virginia DEQ during the course of construction activities.

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15. Oil and Hazardous Substances. VDOT shall prevent oil and hazardous substances from entering the ground, drainage areas, or navigable waters. Fuels and other oil and hazardous substances shall be made secure from tampering or theft. Storage and refilling practices shall comply with 40 C.F.R. pt. 112. Temporary fuel tanks size is limited to 600 gallons each and each temporary fuel tank must have secondary containment minimally equal to 110% of the tank's volume. Drip pans shall be used with dispensing hoses or valves. Tanks and drip pans must be covered during inclement weather and when work is not in progress.

16. Natural Resources. VDOT shall not disturb fish and wildlife, alter natural water flows, or otherwise significantly disturb natural resources on the Premises or adjacent property, except as allowed by construction permit.

17. Cultural Resources. VDOT shall immediately notify the Licensor's Site Manager if historical and archaeological items or human remains are discovered during construction. Work must be stopped in the immediate area of the discovery and may not resume until authorized by the Licensor's Site Manager. Cultural resources and human remains may not be disturbed, moved, or removed from the Premises without the Licensor's express permission.

18. Open Burning. Open burning is not permitted.

19. Control and Disposal Of Solid Waste. Solid waste (other than soil or liquids) generated on the Premises shall be placed in regularly emptied covered containers. VDOT shall manage spent hazardous material used in construction, including but not limited to, aerosol cans, waste paint, cleaning solvents, contaminated brushes, and used rags, as per environmental law. Neither food preparation nor cooking is allowed on the Premises. Upon completion of its work, VDOT shall leave the Premises clean and free of debris. All solid waste (including demolition and other construction debris) shall be removed from the Premises, adjacent property, and haul routes and be disposed of off-site as per environmental law.

20. Hazardous Waste and Non-Hazardous Waste Management.

a. The Premises are located within a facility that has been designated a Large Quantity Generator of hazardous waste and is a permitted Treatment, Storage, Disposal facility under environmental

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law. VDOT may not treat or dispose of hazardous or toxic waste on the Premises. VDOT is responsible for the disposal of hazardous waste that is generated in connection with operating the CATP pre-treatment equipment and related activity on the Premises. Generated hazardous waste or toxic waste shall be identified, labeled, handled, temporarily stored on site, and disposed of in accordance with Exhibit F, *Commander Navy Region Mid-Atlantic Regional Environmental Group Hazardous Waste Management Procedures For Contractor Operations*. The location for the storage of accumulated hazardous waste shall be in the same area designated for contract/license LIC-O-1077.

b. The Licensor's Site Manager shall provide copies of blank hazardous waste manifest forms to VDOT and arrange for the hazardous waste manifest to be reviewed, signed, and approved by the Navy before VDOT may transport a shipment of hazardous waste from the Premises; such review, signature and approval will provide adequate time to ship the waste in the time limits established by regulation. Note, it is anticipated that hazardous wasted shipments will be inspected and signed off by the next business day after the Navy Site Manager is notified. Copies of each hazardous waste manifests/non-regulated waste shipping papers manifests shall be mailed to the address listed in Exhibit F and:

Naval Facilities Engineering Command, Mid-Atlantic
Code EV1
9742 Maryland Ave.
Norfolk, VA 23511-3095

c. VDOT shall provide a bill of lading shipping document for each shipment of non-hazardous waste that is disposed. The Navy will pre-sign the Navy's part of the document such that shipments can be expedited. The Navy will also conduct routine inspections of non-hazardous shipments. Copies of the Bill of lading documents shall be mailed to:

Naval Facilities Engineering Command, Mid-Atlantic
Code EV1
9742 Maryland Ave.
Norfolk, VA 23511-3095

21. Unforeseen Groundwater Contamination.

a. VDOT has been informed of known soil and groundwater contamination at Navy Installation Restoration Sites 1 and 22. VDOT, as per RCRA and applicable state law, shall manage such contamination when performing work at or affecting these sites, and elsewhere on Navy property, in the manner prescribed in the foregoing paragraphs of this Addendum. Any groundwater contamination not documented in the

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Site 1 Decision Document, the Site 22 Record of Decision, or documents mentioned in section 2 of this Addendum, is unforeseen contamination. VDOT shall stop work when unforeseen contamination is discovered, discontinue the introduction of unforeseen groundwater contamination into the CATP and contact the Navy Site Manager. VDOT shall manage unforeseen groundwater contamination resulting from its ground-disturbing activity as hazardous waste at the place of discovery, as directed by the Navy Site Manager, unless and until testing determines that it should be managed otherwise. If newly discovered unforeseen groundwater contamination may contain hazardous substances derived from unexploded ordnance, chemical or biological munitions, or radiological waste, VDOT shall avoid further contact and notify the Navy Site Manager immediately upon discovery. If VDOT cannot contact the Navy Site Manager, it will contact the Navy Emergency Command Center at 444-3333.

b. VDOT will test newly discovered unforeseen groundwater contamination, unless it may contain hazardous substances derived from unexploded ordnance, chemical or biological munitions, or radiological waste, to determine, in consultation with the Licensor, how the contamination should be managed. Based on VDOT's test results, the Licensor, in addition to its obligations under paragraph 20 of this Addendum, shall determine whether the unforeseen groundwater may be introduced into the CATP. If unforeseen groundwater contamination cannot be introduced to the CATP, then VDOT shall dispose of the groundwater in accordance with the provisions of paragraph 20.

(1) Within 5 calendars days of receipt of test results, the Licensor will advise VDOT whether the unforeseen groundwater may be introduced to the CATP. In the event the Licensor cannot reasonably make such determination within 5 calendar days, VDOT may proceed with disposal under the terms and conditions of paragraph 20 or stop work in the affected area until the Licensor completes all required actions; stop work in the affected area and proceed with work elsewhere until the Licensor completes all required actions; or re-design the work to be performed (to further avoid moving or otherwise further disturbing the unforeseen contamination) in a manner agreeable to the Licensor, and proceed accordingly.

(2) In any case, VDOT will complete all work required to provide the Navy complete facilities of the quality and quantity agreed. VDOT will complete unfinished work within a reasonable time of the date such work may lawfully resume.

22. Liability

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a. Environmental liability for VDOT's construction-related activity, especially de-watering activity at Sites 1 and 22 and wastewater treatment at the CATP, will attach to VDOT and the Licensor according to RCRA, CERCLA, and other applicable and relevant statutes, and the parties recognize that such liability cannot be modified by this License. However, the parties have determined, as between them, the roles and responsibilities each will have in complying with those statutes and pertinent regulations, to the end that such liability, if incurred, will be limited and apportioned equitably. The Licensor's obligation and authority to conduct and pay for environmental remediation are prescribed in 42 U.S.C. §§ 9604, 9607 and 9620; 10 U.S.C. § 2703; and Federal Facility Agreement Under CERCLA Section 120, Administrative Docket No. III-FCA-CERC-015 (1999), and are accomplished according to Management Guidance for the Defense Environmental Restoration Program and the Navy/Marine Corps Installation Restoration Manual.

b. The parties hereto, to the extent and manner permitted by law, as described herein, have undertaken to apportion and limit their respective responsibility under this License, at the outset of this relationship, so that VDOT's responsibility under CERCLA for investigation/remediation will be limited to an obligation to correct conditions of risk to human health and the environment proximately caused by: (1) VDOT's failure to manage known contamination that is excavated or pumped or otherwise disturbed during the course of construction in a manner consistent with this Addendum; (2) VDOT's failure to manage unforeseen contamination in a manner consistent with paragraphs 20 and 21 of this Addendum; (3) VDOT's failure to manage hazardous substances that it uses, directly or indirectly, during the course of construction in a manner consistent with this Addendum; or (4) damage to or impairment of the remedy at Sites 1 or 22 resulting from acts or omissions on its part not consistent with this Addendum, or of any one or combination of these paragraphs. With regard to contaminated water resulting from its construction de-watering, VDOT shall be solely responsible to take such action as is required by law and for the cost of remedying spills occurring between the place of de-watering and its pre-treatment plant; for spills occurring from its pre-treatment plant or pre-treatment plant and the CATP; for damage to the CATP (its equipment or operational effectiveness, i.e., treatment capability or capacity) resulting from contaminated water being introduced into the CATP by VDOT not in compliance with the Revised Final Technical Memorandum, "Dewatering Requirement for the I-564 Intermodal Connector Project in the Camp Allen Area" (June 2005); and, as per CERCLA and the Federal Water Pollution Control Act (more commonly known as the Clean Water Act) for exceedances of the CATP's discharge limits which result from VDOT's introduction of contaminated water into the CATP contrary to the terms and conditions of the said

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Technical Memorandum. With regard to damage to the CATP, VDOT's responsibility is limited to restoring the facility to the condition in which it was functioning immediately prior to the occurrence of such damage caused by VDOT's introduction of contaminated water from its construction de-watering. Except as provided above, the parties expressly reserve all rights and remedies provided to them by law. Neither party shall indemnify or seek indemnification from the other, nor shall either party be required to obligate or expend funds in violation of federal or state law, respectively.

c. In the event a suit, claim, demand, or legal action is brought by a third party (i.e., a non-governmental entity or a person in his or her individual capacity) against the Commonwealth of Virginia, arising out of personal injury or property damage allegedly caused by release or threatened release of pre-existing Navy contamination from Naval Support Activity, Norfolk, as a result of the Department's construction-related activity in re-locating Fleet Recreation Park, the Licensor will take action in the manner and to the extent allowed by the Federal Tort Claims Act (28 U.S.C. §2871 *et seq.*) and other Federal statutes, to defend or settle the claim on behalf of the United States, according to procedures prescribed by the U.S. Departments of Justice, Defense and Navy. In addition and where appropriate, the Licensor will attempt to obtain releases of liability for the Licensee and its contractors.

For its part, the Licensee will:

- 1) Notify the Licensor within 10 business days of the date the suit, claim, demand, or legal action is served on the Commonwealth;
- 2) Provide a copy of the complaint, notice of suit, claim, or other demand served on the Commonwealth to the Licensor's Office of Counsel by the most expeditious means available;
- 3) Provide access to persons, records, and other needful things relevant to defending or settling the suit, claim, demand, or legal action;
- 4) Cooperate fully and promptly with the Licensor, or its designee, the Navy, and the Department of Justice in defending or settling the suit, claim, demand, or legal action; and
- 5) Assist the Licensor, or its designee to manage such suits, claims, demands, or legal actions by referring claimants and litigants to the Licensor's Office of Counsel.

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COST RECOVERY

Procedures for invoicing and cost recovery escrow management are outlined below to allow the Navy to provide contaminated groundwater treatment services to the Virginia Department of Transportation, (VDOT) for the construction of the proposed Fleet Recreation Park (FRP) facility being relocated to accommodate VDOT Project 0337-122-F14 and in compliance with Special Legislation.

In accordance with the Defense Authorization Act (108 P.L. 65) Sec. 2858, the Navy shall be fully compensated for the cost of groundwater treatment due to the construction activities of VDOT. Furthermore the Navy may receive monies in the Navy's Environmental Restoration Account (ERN) from third parties under 10 USC §2703(d)(1) and (2). The Navy has awarded a contract to process the construction dewatering that is generated from construction activities within Naval Station Norfolk Installation Restoration Sites 1 and 22 that are associated with the relocation of the FRP.

The cost recovery plan for advance remediation and treatment of groundwater is as follows:

1. **Advance Funding:** The Navy will to the extent possible secure advance ERN funding necessary to pay for the contract procurement of treatment for the groundwater generated by VDOT operations.
2. **Navy operations contract:** The Navy has awarded a firm-fixed price lump sum contract to provide treatment capability at the Navy owned Camp Allen Treatment Plant (CATP) to treat up to 250,000 gallons of contaminated groundwater generated from VDOT dewatering operations associated with FRP construction on Sites 1 and 22. Service is currently available; however VDOT shall notify the Navy in writing 10 days in advance of the date they desire to connect to the CATP.

Should VDOT require additional services to treat more than 250,000 gallons, VDOT shall request additional amounts in writing 30 days in advance of when they expect to need treatment. The Navy shall award change order(s) to provide the additional services to the extent that ERN funds are immediately available. Furthermore, VDOT shall implement additional groundwater modeling as outlined in Exhibit E, *Technical Memorandum Dewatering Requirements for the I-564 Intermodal Connector Project in the Camp Allen Area* if the volume exceeds 250,000 gallons. Although change order(s) cost cannot be exactly predicted, it is anticipated that treatment for each additional gallon will cost \$0.026. A change order will be awarded for the amount of additional groundwater that VDOT prescribes in their request for additional service.

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3. **Treatment Cost:** VDOT is responsible for actual contract cost which includes the Navy's base contract award amount plus any incremental cost for additional volumes allocated, the replacement/repair cost of any VDOT dedicated equipment, and other operational expenses uniquely associated with VDOT generated groundwater. The unit cost listed above (\$0.026) is not a guaranteed unit cost but is subject to change should additional increments of service be required. VDOT will be notified in writing of change order cost.
4. **Payments (Initial and Additional):**
- a. On but not later than 45 days of the effective date of this License, VDOT shall provide funds to the Navy in the amount of \$63,317.00. This amount includes the Navy's capital in-plant equipment cost and 95% of the cost to treat 250,000 gallons. The capital cost is \$57,142.00.
 - b. Should VDOT desire additional treatment services, the Navy will request funds from VDOT in the amount of 95% of the value of the additional service. (Approximately 95% of the anticipated change order cost.)
 - c. The Navy also reserves the right to request funds for any repairs that become necessary during the course of treatment that are attributable solely to the function of providing treatment for VDOT generated groundwater.
5. **Additional Navy Equipment:** The Navy's contractor has installed a flow control station at the dewatering influent point of connection into the Navy's CATP such that flows from VDOT's pretreatment facility are measured and controlled. The Navy's contractor will maintain monthly meter readings to indicate the volume of water received from VDOT's pretreatment facility.
6. **Accounting Cycle:** The Navy's contractor will read the totalized volume at the flow control station at approximately 10 AM on the 15th day of each month that groundwater is presented at the CATP. By the 20th of the month, the Navy's contractor will notify by email the Navy and VDOT of the monthly-recorded totalized flow. Any dispute about the meter reading shall be registered in writing with the Navy Site Manager within five days.
7. **Invoicing:** The Navy will present to VDOT an invoice for expenses incurred during each accounting cycle. The costs will be applied against the monies previously received with paragraph 4. The first invoice will reflect a charge for the initial capital equipment cost plus the month's incremental cost of treatment. Treatment cost will be figured based on the month's totalized volume reading multiplied times \$0.026 per gallon. The funds

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remaining available for treatment expenses will be shown on each invoice.

The Navy will present invoices to VDOT on the business day nearest the end of each calendar month. Should VDOT disagree with the charges, VDOT shall present their dispute in writing within five business days of receipt of the invoice in question. Invoices will be emailed to the VDOT Project Manager.

8. **Termination of Service and Final Invoice:** VDOT shall notify the Navy 30 days in advance of when they expect they will no longer need CATP service. The Navy will account for final expenses against any monies remaining available and provide a balance due in the final invoice. VDOT shall provide the balance of monies needed to cover the final amount of service and/or contract expense within 45 days of receipt of the final invoice.
9. **Check Payments:** VDOT shall provide payment in the form of a check. Checks shall be made payable to **Environmental Restoration, Navy** with the check memo (purpose) field noted as 'IR Site 1 - Naval Station Norfolk.

Send payment to:

Commander Naval Facilities Engineering Command
Code FM O, Attn. Keith Gudgel
1322 Patterson Ave, SE, Suite 1000
Washington, DC 20374-5065

Send a copy of the check transmittal letter to:

Naval Facilities Engineering Command, Mid Atlantic
Code EV Attn. Heather Bush
9742 Maryland Ave.
Norfolk, VA 23511-3095